App. F. IX-4

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Previous References

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File No. 8-35
Serial Nos. 2 d

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Letter References.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. One

Part B for Secret

SUBJECT.

Memorandum and Questionaire relating to the Committee on Cooperation in Mysore

D 3599 Sec. 35.

To Compiler m. 9

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Serial No.

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Issue 2/12/35

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Appendix F G—1]

SUBJECT.....

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Diary No. of letter replied to.....

General and Revenue Secretariat

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the *193*

Date of issue 2-12-35

Signed by Asst. D.C.S.

List of enclosures.....

Copied by .....

Examined by.....

Section C.S

File No. 8-35

Serial No. 28

No. D.3579a/Encl.1

To Notification

The following Memorandum & Questionnaire prepared in connection relating to the Committee or Conference in which are published for general information

By Order

Asst. 2/12/35

for

Fr. The Compiler, M.G. for publication in Mysore Part III of the Gazette

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

No. D.3599 / G.S.D. 35-36 — 2nd Sitting

General and Revenue Secretariat,

Dated Bangalore, 3rd December 1936.

NOTIFICATION.

The following Memorandum and Questionnaire relating to the Committee on Co-operation in Mysore are published for general information.

By Order,

Rangaraya Iyengar

for General Secretary to Government.

The Compiler, Mysore Gazette, for publication in part III of the Mysore Gazette.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

No. D 3599/Cs. S. 35-4

General and Revenue Secretariat,

Dated Bangalore, 2nd December 1936.

NOTIFICATION.

The following memorandum and questionnaire relating to the Committee on Co-operation in Mysore are published for general information.

By Order,

S. Subbarayappa

for General Secretary to Government.

To

The Compiler, Mysore Gazette, for publication in part III of the Mysore Gazette.

COMMITTEE ON CO-OPERATION IN MYSORE.

QUESTIONNAIRE.

MEMORANDUM.

This Committee was appointed by the Government of Mysore on 29th October 1935, for the purpose of enquiring into the present state of the Co-operative Movement in Mysore in its various forms, with reference not only to co-operative credit but also to co-operative production, distribution and sale, as well as to house building, insurance and other relatively less developed fields of co-operative activity. Among matters that will engage the attention of the Committee, the investigation of the financial system generally, including the connection between the various parts of the co-operative organization and the working and future development of Land Mortgage Banks, will occupy an important place. The instructions to the Committee include also an enquiry into the most appropriate methods of promoting efficiency and convenience in such matters as propaganda, supervision, control and management of institutions and the disposal of co-operative disputes.

In order to facilitate the enquiry as well as to give a full opportunity to all persons interested to place before the Committee their considered views and suggestions, a detailed set of questions arranged under various heads, has been drawn up, and the same is published for general information. There are several questions of general interest dealing with matters such as may be within the knowledge or experience of a large number of persons who are not immediately or directly connected with the day-to-day working of particular types of societies, and at the same time some questions are of a technical nature which only those actually engaged in the administration of societies can be in a position to deal with. It is not expected, therefore, that all persons will be inclined to take up all the questions, nor on the other hand is it the intention to limit the expression of opinions and suggestions to only those points which are covered by the questionnaire. The Committee will welcome all expressions of views on any matter within the scope of the enquiry whether included in the questionnaire or not.

It is particularly requested that answers may be furnished as soon as possible, and not later than the 1st January 1936, to the address of the Secretary to the Committee on Co-operation in Mysore, Public Offices, Bangalore.

Copies of the questionnaire may be had on application to that officer.

BANGALORE,
Dated 21st Nov. 1935.

K. S. CHANDRASEKHARA AIYAR,
Chairman.

NOTE.—In replying to the questionnaire, it is requested that the following particulars also may be furnished along with the replies :—

1. Name of the person answering .....
2. Age .....
3. Occupation.....
4. Residence.....
5. Caste and Community.....
6. Particulars, if any, bearing on special knowledge or experience regarding the subject.....

W D 988—GPB—1,500—26-11-35

QUESTIONNAIRE.

I. General.

1. Is the co-operative movement in Mysore advancing on sound and efficient lines? What, in your opinion, are its principal defects and what are the appropriate remedies?

2. To what extent has the movement resulted in reducing the general level of indebtedness, the prevalent rate of interest and civil litigation? In what other ways has it materially benefited the members of societies?

3. Has the movement improved the moral and educational standards of the members of societies and promoted habits of thrift and economy?

4. Is there any complaint that the economic condition of the members has deteriorated as a result of facile credit? If so, is it based on facts?

5. What steps do you think should be taken to encourage the growth of the co-operative movement by

(i) Government;

(ii) Non-official agencies.

6. Do you think that the concessions and privileges now granted by Government to the co-operative movement sufficient? If not, what further concessions are needed?

7. What steps or precautions are necessary to prevent misappropriation of funds in societies and banks? To what extent are such wrongful practices prevalent among the societies?

8. How far is it desirable or possible for co-operative societies to undertake

(i) the conciliation of debts due by members to outside creditors, and

(ii) the discharge of debts conciliated in the above manner.

What legal or other facilities are required to enable them to do so?

9. Are there any purely communal societies in the State? How are they working? Are you in favour of communal societies being organized for the general advancement of particular communities or for specific purposes?

10. How far may the funds of societies be expended for charitable or philanthropic purposes?

11. To what extent are women taking part in the development of co-operation in the State, and is there scope for their playing a more important part in it than now?

12. Is there a need for separate societies for women, and what should the functions of such societies be in your opinion?

13. Are women admitted as members of societies freely, and are they taking equal advantage with men in the matter of loans and investments? Do you recommend any special concessions or restrictions in the matter of their admission as members of societies and for their election to Committees?

14. What is the attitude of money-lenders as a class to the movement? Is it one of hostility? Do you think that it is changing or likely to change? In what way can the movement secure the co-operation of money-lenders?

15. Do you recommend any special legislation for the protection of borrowers from unscrupulous practices on the part of professional money-lenders both in the urban and in rural areas?

16. Do you consider that the model bye-laws of societies and banks stand in need of any changes? If so, what modifications would you suggest?

17. What changes, if any, are necessary in the rules to minimise disputes arising with regard to the validity of elections in societies and banks? What steps should be taken to facilitate a satisfactory disposal of such disputes?

II. Primary Credit Societies.

1. Are you of the opinion that the operations of a primary society should be limited to a particular area, say, a village? (At present a society extends its operation over 5 villages on the average.)

2. Do you consider the number of societies operating in any area at present excessive? If so, is it desirable to reduce their number by cancellation or amalgamation with other societies?

3. Do members understand the principles of co-operation and realise their responsibilities as members of unlimited liability societies?

4. Has the unlimited liability basis prevented many people from joining societies? Has it to any extent stood in the way of societies getting loans from outside?

5. Is it desirable that proposed societies should, before registration, be asked to work on probation for a fixed period?

6. Do the Committees understand and discharge their responsibilities in the management of societies?

7. (*a*) Is it desirable to pay honoraria to Presidents, Secretaries or Committee members? If so, on what basis?

(*b*) Will it improve the working of primary societies if paid Secretaries are entertained either for a particular society or a group of societies ?

8. Are there any instances of the office of President, Secretary or Committee member being unduly appropriated by the same persons for long periods ; and if so, has it worked to the disadvantage of the societies ? What safeguards would you suggest to prevent this ?

9. Do these societies secure to their members adequate provision for short-term loans ? Do members still go to the local money-lenders and if so, what remedy would you suggest for this ?

10. Do these societies provide adequate funds for the grant of long-term loans also ?

11. Does the practice prevail to any large extent of members borrowing from private money-lenders for repaying to societies, only to borrow again from societies to repay to the money-lenders ?

12. Are you in favour of a member of a credit society being permitted to join any other credit society, limited or unlimited ?

13. If a person is a member both of a credit society and of a Land Mortgage Society operating in the same area, what arrangements are necessary so that the interests of one society do not clash with those of the other ?

14. Are you in favour of the introduction of a system of compulsory deposits in primary societies in addition to share payments ? If so, how would you want such funds to be utilised ?

15. To what extent, and subject to what safeguards, may agricultural primary societies be permitted to accept short-term fixed deposits and savings deposits, and to open current accounts ?

16. Do you think that co-operative societies can be freely employed as agencies for the grant of Taccavi and Land Improvement loans to agriculturists? Are there any legal difficulties, and if so, what procedure would you suggest to meet them?

17. What is the composition of the working capital of your society? Give the figures under shares, deposits and loans, and their proportion to working capital. Is the proportion, in your opinion, satisfactory?

18. Is it, in your opinion, necessary for the agricultural societies to confine themselves to the grant of short-term loans for cultivation purposes?

19. Can the societies be made to work a system of loans against crops?

20. Is it desirable, in order to avoid delays, to revise the present system of granting loans to members or replace the same by a system of normal credits operated according to needs from time to time?

21. Is the system of fixing maximum loans to members in proportion to the number of shares satisfactory? If not, on what basis should it be done and by whom?

22. Are loans granted by Committees after careful consideration, with particular regard to amount, terms, periods of loan, repaying capacity of members and the most convenient season for repayment?

23. Do Committees verify the *bona fides* of the purposes for which the loans are required? Are loans always granted for useful purposes?

24. What do you think of the present practice of issuing loans for what are called necessary purposes"?

25. What means have Committees of satisfying themselves that loans sanctioned have been properly applied? Are there any instances in which amounts misapplied or obtained on false pretences are recalled?

26. To what extent, if any, are *benami* loans granted?

27. For what purposes are long-term loans generally taken and utilized?

28. Are there any instances of loans being issued to the same persons who mutually stand surety to one another?

29. Are there instances of loans not really being repaid but shown as repaid and reissued? If so, what remedies do you suggest to prevent the practice?

30. What is the provision, if any, made in the matter of bad debts?

31. Do you advise the system of disbursing dividends after a fixed period or of carrying them into an indivisible reserve?

32. How should the reserve funds of societies be invested? And if they are used as part of working capital, how are the profits earned thereon to be dealt with?

33. What specific suggestions have you for reducing the growth of overdues from members to societies and from societies to financing institutions? Are you in favour of classifying overdues as authorised and unauthorised as is done in Bombay?

34. Is it desirable or feasible to make any special experiments in the matter of controlled Productive Credit for raiyats, as is done in the Salem District of the Madras Presidency?

III. Urban Banks and Societies.

1. What part can an urban bank advantageously play in the development of non-credit activities ?

2. Would you have the urban banks as mere money-lending institutions, or would you like to use them for purposes of developing banking habits for the benefit of co-operators ; and if the latter, how would you propose to attain the object ?

3. In order to attract all available capital in an urban area and without detriment to the efficiency and expansion of the movement, which is more advantageous,—to have one urban bank for the whole urban area, or to have one independent credit society for each ward of an urban area ?

4. If you are for a single bank for a whole urban area, should it work by opening up of branches or formation of sub-committees ?

5. Is it necessary to restrict the number of urban societies of the same kind operating in the same area ? What provisions are necessary to eliminate competition among them ?

6. Should there be a limit to the number of members to be admitted to each society and urban bank ?

7. What qualifications or restrictions would you fix for a member to become eligible for election as a Director ?

8. Do you think that it is necessary to define in the Bye-laws the respective powers of the Board of Directors and the General Body ? If so, what are the powers that should be delegated to the Board of Directors generally to ensure efficient management ?

9. Having regard to the difficulty of general supervision and control being exercised by an unwieldy general body of an urban bank, what methods do you recommend for securing their having an effective voice without sacrifice of administrative efficiency ?

10. Is there any necessity for the establishment of boards of supervision in the case of urban banks? If so, what should be the function of such supervising boards?

11. Does the rule requiring previous sanction of Government being obtained for Government officials standing for election to the directorate of societies work to the disadvantage of societies? Does the rule deprive societies of the services of enthusiastic co-operators to any appreciable extent?

12. With respect to urban banks having a large working capital, do you think that part-time and honorary service of members is sufficient to secure efficient management or that a full-time and adequately paid staff is necessary?

13. In particular, do you favour the idea of paid Secretaries with no seat on the Directorate?

IV. Non-Credit Societies.

1. What steps do you recommend to facilitate the development of non-credit societies of various types? Please state to what type of society you refer?

2. In what directions may agricultural non-credit co-operative societies be developed in the near future? Is there any scope or demand for developing such types of societies?

3. Is it desirable or possible for co-operative societies to undertake rural welfare or reconstruction schemes? How is the cost of such undertakings to be met? Would you advocate the formation of separate societies to undertake the work; if so, on what lines?

4. Have you any observations to make regarding the starting, improving or extending the scope of the activities of the following kinds of co-operative societies:—

(i) Purchase societies;

(ii) Societies for the sale of produce or stock;

(iii) Societies for effecting improvements, *e.g.*, the digging of wells and the construction of bunds, walls and fences or the planting of hedges;

(iv) Societies for the aggregation of fragmented holdings and their distribution in plots of reasonable size;

(v) Societies for the co-operative use of agricultural machinery;

(vi) Societies for joint farming;

(vii) Cattle breeding societies;

(viii) Societies for the purchase and sale of manure, seed, implements, yarn, etc.;

(ix) Societies for the marketing of agricultural and industrial products, such as eggs, honey, baskets, mats, etc.;

(x) Societies for common irrigation or common cultivation, common ownership of plant and machinery, etc.;

(xi) Distributive societies or stores;

(xii) House Building Societies;

(xiii) Grain Banks;

(xiv) Societies for any purpose connected with agriculture or with the betterment of village life, or with economic improvement of members, but not specified above;

(xv) Co-operative Insurance Societies.

5. Where co-operative schemes for joint improvement, such as co-operative irrigation or co-operative fencing or co-operative consolidation of holdings, cannot be given effect to owing to the unwillingness of a small minority to join, do you think legislation should be introduced in order to compel such persons to join for the common benefit of all?

6. Are there any special industries in your locality which are capable of being developed on co-operative lines with or without State aid?

7. To what extent and in what direction should credit societies undertake non-credit activities? Are any steps necessary to develop these activities?

8. Is it desirable to have a separate branch of the Departmental staff to deal with non-credit societies?

9. Does the management of non-credit societies require methods or arrangements different from those obtaining in the case of credit societies?

10. (i) Have you any criticisms or suggestions to offer regarding the working of co-operative stores in the State? (ii) Should sales be made on cash terms or may credit also be allowed; and if so, for what period and up to what limits? (iii) Should sales be confined to members or extended to non-members also? (iv) Is a system of rebates to members advisable?

11. (i) Is it practicable at present for Stores Societies to undertake the production of the articles of consumption in which they deal, and if so, what are the articles that they would be able to produce? (ii) Can the various Stores Societies federate for the purpose?

12. Is it possible to directly link producers with consumers' societies? In respect of what commodities particularly is this arrangement possible?

13. How are the sale prices to be fixed in sales societies? Should it be in accordance with the prevailing market rates or on a fixed rate basis?

14. Are there any special difficulties in the management of Stores? If so, what remedies would you suggest?

15. What do you think of a Central Store taking up the work of purchasing goods on behalf of Primary Stores? Can an indent system of purchase which has been found successful in some places, be successfully worked in Mysore?

Cattle Breeding and Dairying Societies.

16. Do you consider that there is real need at present for cattle breeding, dairying and cattle insurance societies? What special facilities are required for their working and development?

House Building Societies.

17. To what extent are House Building Societies a real necessity? What are their special difficulties, if any, and what special facilities are required for their proper development either from Government or other sources?

18. Can the present system of granting house building advances by Government to employees be entrusted to the House Building Societies, in particular areas at least?

19. What is your opinion regarding the formation of a Central Housing Society for the whole State to which all the House Building Societies may be affiliated?

20. What system would you recommend for such societies,—the ownership, co-partnership or tenancy system? Is it possible for the House Building Societies to take up the wholesale purchase, manufacture or supply of house building materials as also to undertake the business of constructing houses?

Depressed Class Societies.

21. Have you any experience of the working of depressed class Societies? Are they working satisfactorily? If not, what are the reasons for their failure?

22. Should separate societies be organized and maintained for the depressed classes, or do you consider that the members belonging to these classes should be admitted into general societies?

23. Are these societies in need of any special facilities in regard to management, funds, inspection, etc.?

Grain Banks.

24. Are you acquainted with the working of any Grain Bank? To what causes would you attribute their present unsatisfactory position?

Industrial Societies.

25. To what extent and in what directions may the co-operative movement be utilized for the development of cottage industries? What form of cottage industries do you think most suitable for the purpose?

Weavers' Societies.

26. For what reasons have the purchase and sale societies for weavers proved comparatively unsuccessful? What special measures would you suggest to improve them and to assist the weaving industry generally? Is any concession from Government or from the Department of Government necessary to strengthen the position of these societies?

Co-operative Insurance.

27. Is there any need to organize a system of Co-operative Insurance in the State as a measure to promote thrift? On what lines should it be worked? How is the working capital to be raised?

Better Living Societies.

28. Is there any scope for the formation of Better Living Societies in Mysore?

Employees' Societies.

(Government, Railways and wage earners.)

29. (1) How far have Employees' Societies succeeded in relieving the indebtedness of members and prevented their resorting to private money-lenders? Are the members getting the full benefit of facilities made available to them by the Societies and exercising their full rights as members in the management of their Societies?

(2) Have you (as the head of an office or otherwise) any suggestions to make regarding the present procedure in regard to attachment of the pay of employees? Are the number of such attachments decreasing or increasing?

(3) Are you in favour of promoting special Provident Fund, Thrift or Compulsory Insurance schemes through Co-operative agencies?

V. Central Financing Institutions.

1. Have you any criticisms to offer on the present constitution and management of Central financing institutions?

2. Is it necessary to have Central Banks to finance the primary societies directly, or would it be better to leave the work of financing all the societies in the State in the hands of the Provincial Apex Bank through its own local branches? If so, will one Central Bank suffice for the whole State, or is it necessary to have one Central Bank for each district or group of districts?

3. Should the Provincial and Central Banks have the power to borrow for longer terms by issue of debentures, or should this business be left to the Land Mortgage Banks?

4. Are you in favour of the Provincial and Central Banks establishing branches in districts and taluks?

5. What area or number of societies can a Central Bank most effectively serve?

6. Are you in favour of the elimination of individual share-holders in the central institutions?

7. Should the borrowings of primary societies be limited to the amount of share capital held by them? If not, what other limit should be fixed?

8. Is the practice of granting loans for 10 years or more by Central institutions financially unsound?

9. What proportion of the funds of central institutions should be lent for long-term loans, and for what periods ?

10. To what extent is uniformity desirable and possible in the rates at which various banks accept deposits?

11. Is it necessary or desirable for Central institutions to further reduce their lending rates ?

12. Do you consider the system of Central institutions holding the reserve funds of societies satisfactory ?

13. Are the present arrangements for the maintenance of fluid resources adequate ?

14. Is any distinction made by Central institutions in their treatment of societies with limited and unlimited liabilities ?

15. (1) Is it necessary or desirable to permit banks to advance loans to non-member depositors on the security of their deposits? (*Vide* section 29 of the Co-operative Societies Regulation).

(2) How far is it possible to attain the same object by a condition attached to the acceptance of deposits that a portion of the same may be returned to the depositor at his instance on a reduced scale of interest according to the length of the period already elapsed ?

16. Are there any special agencies employed by the Central financing institutions for the collection of arrears ? What special or additional agencies would you suggest ?

17. Is it desirable that the executive management of a Central banking institution should vest in a paid Secretary or Manager under the control of the Board of Directors?

18. Do you think it advisable for primary societies to have direct financial inter-relationship with one another?

19. How far is it desirable to insist upon every primary society affiliating itself with the Central financing institution?

VI. Land Mortgage Banks and Societies.

1. Have you any suggestions or criticisms to offer regarding the system and working of the Land Mortgage Bank and Societies?

2. Is more than one Land Mortgage Bank necessary in the State? What is the maximum area over which a Land Mortgage Society can effectively operate?

3. Have the Land Mortgage Societies been able to afford sufficient relief to indebted persons in the area of their operations? If not, what are the reasons for the failure?

4. Should the Land Mortgage Societies grant short-term loans for their current needs to members whose prior debts have been redeemed by them? If so, how are they to be financed for the purpose?

5. With a view to relieve rural indebtedness to a larger extent than now, is it desirable to increase the number of Land Mortgage Societies? If so, how are they to be provided with the finance they will need for their long-term operations?

6. Is the Land Mortgage Bank, in your opinion, the most suitable organization to meet the demand of agriculturists for long-term credit?

7. Is it possible to arrange for the transfer of the existing long-term loans in Co-operative Societies to the Land Mortgage Bank?

8. Is it desirable to centralise the issue of debentures for the Land Mortgage Bank and other central co-operative financing institutions in the State?

9. Have you any suggestions to make to induce the general public to buy debentures issued by the Land Mortgage Bank more freely?

10. How should the value of mortgage security be assessed? Should a paid staff be employed? If so, who should pay for it?

11. Are there complaints of undue delay on the part of Land Mortgage Societies in the disposal of loan applications and the disbursement of the amounts after sanction? If so, can you suggest ways in which such delays could be minimised?

12. Should the organisation and supervision of Land Mortgage operations be entrusted to a special staff under the Registrar?

VII. Finance and Accounts.

1. Do you consider the co-operative movement is in a sound financial condition?

2. It is understood that the Apex Bank had to refuse fresh deposits as it had large sums remaining idle in its possession; can you suggest any means of remedying this state of affairs?

3. Are you of the opinion that the policy of using fixed deposits in co-operative societies and banks for financing long-term loans is sound? If so, subject to what conditions and safeguards may such a policy be pursued?

4. The proportion of long-term to short-term loans in Mysore is understood to be about one-half. Do you think this to be excessive or to require rectification? If so, what measures would you suggest?

5. Do delays in the disposal of loan applications occur frequently? If so, can they be avoided? Do they deter members from applying for short or long term loans?

6. Is there any reason to think that an undue proportion of loans are monopolized by a comparatively small number of borrowers (say in sums exceeding Rs. 5,000)? What restrictions, if any, would you impose on them?

7. Are the existing rates of interest, ordinary or penal, on loans to members or societies or on deposits made by them, excessive in your opinion, and do they require to be reduced? If so, to what extent?

8. Is there any great disparity between the borrowing and the lending rates?

9. To what extent is the alarming increase of overdues due to economic depression, and to what extent to other causes?

10. Is the increase of overdues such as to affect the proper working of the societies? How far is there a need, in view of the present economic conditions, for the grant of extensions of time or for easing the repayments and reducing or remitting ordinary or penal interest due by members; or should the societies take effective steps against the defaulters as under normal conditions?

11. Do you advise the appointment of a special staff for the recovery of overdues in the Districts where the arrears are very heavy?

12. Has the principle of unlimited liability been applied so that the whole liability on liquidation is unfairly laid on a small minority of the members?

13. Is it desirable for a society ordinarily to take a loan in another society or bank to repay deposits ?

14. Have you any suggestions for simplifying the accounts of societies ?

VIII. Organization.

1. Are the arrangements obtaining in the State for the organization and formation of societies satisfactory ? Do you think they could be improved ?

2. Is there necessity at present to organize new societies, and who should organize them ? What qualifications should the organizers possess, and what instructions should they give to the Committees and the members of new societies ?

3. The Registrar's report shows that the management of some societies is slack and indifferent and of some others wilfully injurious. Have you any suggestions for the re-organization of such societies ?

4. Do you consider that the registration of more than one society of the same type in the same area is objectionable ? What are the circumstances under which more than one society may be registered ? Is it necessary to attach any conditions before they are so registered ?

5. When there are more societies of the same type working in an area, how is co-ordination between them to be secured ?

IX. Instruction and Propaganda.

1. Are there enough facilities in the State for providing adequate training in co-operative principles and practices for the staff employed by Government and the societies ?

2. Is it desirable to have a Central Co-operative School or Institute for providing courses of instruction and training for officials, office bearers and others engaged in co-operative work? On what lines should it be organized and how is the cost to be met?

3. Is the staff now engaged by the Department sufficient to cope with the increased volume of work?

4. Have you any suggestions to offer for making the existing arrangements for propaganda more effective and adequate?

5. Is it desirable to create a special body for dealing with propaganda work?

6. Is the present scale of pay sufficient to attract men of the right type with the requisite qualifications to take up co-operative work after proper training?

X. Audit.

1. Audit is a statutory function of the Registrar. In what cases and to what extent should societies contribute towards the cost of audit?

2. Do you consider that the present arrangements for audit of societies are adequate and satisfactory?

3. How far is it desirable to maintain the present system of official audit? Is it advisable to replace it by a system of non-official audit under a centralized provincial agency like the Provincial Co-operative Institute?

4. Is there any complaint that audit is not fully independent and impartial, and is there a need to give wider legal powers to auditors to enable them to do their work properly?

5. Do the present arrangements for audit allow members, depositors and others having financial interest in societies, to obtain all the information required by them regarding the position of the societies?

6. Does the form in which the balance sheet is now prepared reflect the financial position of societies correctly?

7. Are the present rates of audit fees charged reasonable or excessive? Do they require any modification?

XI. Supervision.

1. Is the supervision of the work of co-operative societies at present adequate and satisfactory? Is there any need for increasing the measure of official control over their working?

2. Can the supervision of societies be handed over partly or wholly to non-official agencies either immediately or gradually?

3. The Registrar's report shows that the position of federal co-operative unions is anything but satisfactory. Is there any way in which they could be revived and made more active and useful?

4. Should central financing institutions inspect and supervise societies financed by them, or is there any other agency to which this work may be entrusted?

5. Is it necessary or desirable to have supervising unions as in Madras and Travancore for the more systematic supervision of primary societies? If so, what functions may be entrusted to them? Should supervision be supplemented or strengthened by any further agency?

6. What is your opinion regarding the provincialization of the supervising staff, and the formation and utilization of a common supervision fund?

XII. Litigation

1. Do you think that the present arrangements for the settlement of co-operative disputes should continue? If, in your opinion, the time has arrived for a change, what alterations would you suggest?

2. Do you consider that the disposal of co-operative disputes can or may be entrusted to any other agency than the Co-operative Department? If so, what agency would you suggest?

3. What, in your opinion, are the reasons for the increase in the number of institutions of co-operative disputes every year? Is it necessary or desirable to check it, and if so, how should it be done?

4. Is it desirable to make the law of limitation as it stands applicable to co-operative disputes, or would you suggest any alterations?

5. Can the departmental officers compel the filing of disputes against wilful and persistent defaulters when the management of a society fails or refuses to take such action?

6. Are co-operative disputes disposed of with reasonable despatch? If not, what steps are necessary to ensure quicker disposals?

7. Do you favour the establishment of arbitration and executive unions as in the Punjab? If so, what contribution should the societies make to meet the expenditure?

8. What is your opinion as to the efficiency of the work of the arbitrators?

9. Are suitable honorary arbitrators available in sufficient number in the State?

10. Would you suggest any scale of remuneration for arbitrators, or is it possible to get the work done voluntarily?

11. What steps should be taken to minimise delays in the execution of co-operative decrees or awards?

12. Is execution by the Revenue Department prompt and efficient?

13. Can you suggest measures to minimise the disadvantages incidental to the purchase of defaulters' lands by the creditor Banks in execution?

XIII. Liquidation.

1. Is there at present any undue delay in the conduct and closing of liquidation proceedings? How may it be minimised?

2. Is it feasible to entrust liquidation work to non-official agencies? If so, what remuneration would you recommend to the liquidators?

3. Are there any desirable alternatives to the compulsory liquidation of societies?

XIV. Miscellaneous.

1. Are there any provisions in the present Co-operative Regulation or the Rules thereunder which are defective and inadequate for the working of Societies? If so, can you suggest any amendments?

2. (i) Do you consider that the relations which exist between the Co-operative Department and other departments of Government, such as Revenue, Agriculture, Industries, Veterinary, etc., are satisfactory? If not, can you suggest any means whereby better co-operation with these departments can be ensured?

(ii) In particular do you think that a Board consisting of the Heads of the Departments of Co-operation, Agriculture and Industries and Commerce would serve a good purpose?

(iii) Are you in favour of constituting a Provincial Advisory Council, composed of the representatives of the Departments of Industries and Commerce and Agriculture and prominent workers in the co-operative field, to assist the Registrar?

3. Do you think that the interests of co-operation will be better served by special or additional representation in the Representative Assembly and Legislative Council? If so, what is the extent of representation and the method of election that you would recommend?

4. To what extent is there scope for the utilization of the services of Government officials on Committees and in other branches of co-operation work?

5. What is your opinion as to the work that is now being done by honorary workers? In what directions may the services of non-officials be increasingly utilised for the development of the movement?

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